

(ii) Upon request by the committee, furnish reports of each shipment pursuant to the applicable Special Purpose Certificate.

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Dated: November 15, 2000.

Ronald L. Cioffi,

Acting Deputy Administrator, Fruit and Vegetable Programs.

[FR Doc. 00-29944 Filed 11-22-00; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 1011

[DA-01-01]

Milk in the Tennessee Valley Marketing Area; Termination of the Order

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule; termination order.

SUMMARY: This document terminates the remaining administrative provisions of the Tennessee Valley Federal milk marketing order (Order 1011). All of the monthly operating provisions of the order were terminated as of October 1, 1997.

EFFECTIVE DATE: November 27, 2000.

FOR FURTHER INFORMATION CONTACT:

Nicholas Memoli, Marketing Specialist, USDA/AMS/Dairy Programs, Order Formulation Branch, Room 2971, South Building, P.O. Box 96456, Washington, DC 20090-6456, (202) 690-1932, Nicholas.Memoli@usda.gov.

SUPPLEMENTARY INFORMATION: The Department is issuing this rule in conformance with Executive Order 12866.

This final rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule is not intended to have a retroactive effect. This rule will not preempt any state or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule.

The Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 608c(15)(A) of the Act, any handler subject to an order may request modification or exemption from such order by filing with the Secretary a petition stating that the order, any provision of the order, or any obligation imposed in connection with the order is not in accordance with the law. A handler is afforded the opportunity for

a hearing on the petition. After a hearing, the Secretary would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has its principal place of business, has jurisdiction in equity to review the Secretary's ruling on the petition, provided a bill in equity is filed not later than 20 days after the date of the entry of the ruling.

Small Business Consideration

In accordance with the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), the Agricultural Marketing Service has considered the economic impact of this action on small entities and has certified that this final rule will not have a significant economic impact on a substantial number of small entities because the Tennessee Valley milk order ceased operating as of October 1, 1997, and there are no handlers or dairy farmers that will be affected by the termination of its one remaining administrative provision.

Preliminary Statement

This order of termination is issued pursuant to the provisions of the Agricultural Marketing Agreement Act, as amended (7 U.S.C. 601-674), and of the order regulating the handling of milk in the Tennessee Valley marketing area.

Notice of proposed rulemaking was published in the **Federal Register** on July 3, 1997 (62 FR 36022), concerning a proposed termination of the order. Interested persons were afforded opportunity to file written data, views and arguments thereon.

In total, 11 comments were received, 3 supporting the termination, 3 opposed to it, and 5 taking no position on the termination but offering comments on questions raised by the Department in the notice of proposed termination.

After consideration of all relevant material, including the proposal in the notice, the comments received, and other available information, the Administrator of the Agricultural Marketing Service found and determined that the order regulating the handling of milk in the Tennessee Valley marketing area (7 CFR 1011) did not tend to effectuate the declared policy of the Act and terminated all of the operating provisions of the order on September 5, 1997, effective October 1, 1997 (62 FR 47923).

Statement of Consideration

This rule terminates the last remaining provision of the Tennessee Valley Federal milk marketing order

effective one day after publication of this final rule in the **Federal Register**.

On May 12, 1997, the Department issued a partial final decision on proposed amendments to the Carolina, Southeast, Tennessee Valley, and Louisville-Lexington-Evansville milk orders (i.e., Orders 5, 7, 11, and 46) which was published on May 20, 1997 (62 FR 27525). The final decision document contained proposed amended orders for the 4 southeast marketing areas, including the Tennessee Valley order, and directed the respective market administrators of the 4 orders to ascertain whether producers approved the issuance of the amended orders. The final decision concluded that amended orders were needed to effectuate the declared policy of the Act.

Less than two-thirds of the producers whose milk is pooled in the Tennessee Valley marketing area approved the issuance of the proposed amended order. The Act requires approval by at least two-thirds of the producers before an amended order may be issued.

Pursuant to the provisions of the Agricultural Marketing Agreement Act and of the order regulating the handling of milk in the Tennessee Valley marketing area, the operating provisions of the Tennessee Valley Federal milk order were terminated effective October 1, 1997. Notice of the termination was published in the **Federal Register** on September 12, 1997 (62 FR 47923). Certain administrative provisions were left intact at that time so that the market administrator, in his capacity as the order's liquidating agent, could disburse all of the money remaining in the administrative, producer-settlement, and marketing service funds established under the order. These tasks having been completed, the remaining provisions of the order are unnecessary and may be removed immediately. Therefore, it is determined that the remaining provisions of Part 1011 no longer tend to effectuate the declared policy of the Act and are hereby terminated pursuant to provisions of 7 U.S.C. 608(c)(16)(A).

For the same reasons, it is hereby found and determined, upon good cause, that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice or engage in further rulemaking prior to putting this rule into effect and that good cause exists for not postponing the effective date of this rule until 30 days after publication in the **Federal Register**.

List of Subjects in 7 CFR Part 1011

Milk marketing orders.

PART 1011—MILK IN THE TENNESSEE VALLEY MARKETING AREA [REMOVED AND RESERVED]

For the reasons set forth in the preamble and under the authority 7 U.S.C. 601–674, 7 CFR part 1011 is removed and reserved.

Dated: November 15, 2000.

Richard M. McKee,

Deputy Administrator, Dairy Programs.

[FR Doc. 00–29943 Filed 11–22–00; 8:45 am]

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FEDERAL RESERVE SYSTEM

12 CFR Part 226

[Regulation Z; Docket No. R–1089]

Truth in Lending

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rule; staff commentary.

SUMMARY: The Board is publishing a final rule amending the staff commentary that interprets the requirements of Regulation Z (Truth in Lending). The Board is required to adjust annually the dollar amount that triggers requirements for certain mortgages bearing fees above a certain amount. The Home Ownership and Equity Protection Act of 1994 (HOEPA) sets forth rules for home-secured loans in which the total points and fees payable by the consumer at or before loan consummation exceed the greater of \$400 or 8 percent of the total loan amount. In keeping with the statute, the Board has annually adjusted the \$400 amount based on the annual percentage change reflected in the Consumer Price Index that is in effect on June 1. The adjusted dollar amount for 2001 is \$465.

EFFECTIVE DATE: January 1, 2001.

FOR FURTHER INFORMATION CONTACT:

Minh-Duc T. Le, Staff Attorney, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, at (202) 452–3667. For the users of Telecommunications Device for the Deaf only, please contact Janice Simms at (202) 872–4984.

SUPPLEMENTARY INFORMATION:

I. Background

The Truth in Lending Act (TILA; 15 U.S.C. 1601–1666j) requires creditors to disclose credit terms and the cost of consumer credit as an annual percentage rate. The act requires additional disclosures for loans secured by a consumer's home, and permits consumers to cancel certain transactions

that involve their principal dwelling. TILA is implemented by the Board's Regulation Z (12 CFR part 226). The Board's official staff commentary (12 CFR part 226 (Supp. I)) interprets the regulation, and provides guidance to creditors in applying the regulation to specific transactions.

In 1995, the Board published amendments to Regulation Z implementing HOEPA, contained in the Riegle Community Development and Regulatory Improvement Act of 1994, Public Law 103–325, 108 Stat. 2160 (60 FR 15463). These amendments are contained in § 226.32 of the regulation and impose substantive limitations and additional disclosure requirements on certain closed-end mortgage loans bearing rates or fees above a certain percentage or amount. As enacted, the statute requires creditors to comply with the HOEPA rules if the total points and fees payable by the consumer at or before loan consummation exceed the greater of \$400 or 8 percent of the total loan amount. TILA and Regulation Z provide that the \$400 figure shall be adjusted annually on January 1 by the annual percentage change in the Consumer Price Index (CPI) that was reported on the preceding June 1. (15 U.S.C. 1602(aa)(3) and 12 CFR 226.32(a)(1)(ii)). The Board adjusted the \$400 amount to \$451 for the year 2000.

The Bureau of Labor Statistics publishes consumer-based indices monthly, but does not "report" a CPI change on June 1; adjustments are reported in the middle of each month. The board uses the CPI-U index, which is based on all urban consumers and represents approximately 80 percent of the U.S. population, as the index for adjusting the \$400 figure. The adjustment to the CPI-U index reported by the Bureau of Labor Statistics on May 15, 2000, was the CPI-U index "in effect" on June 1, and reflects the percentage increase from April 1999 to April 2000. The adjustment to the \$400 figure below reflects a 3.1 percent increase in the CPI-U index for this period and is rounded to whole dollars for ease of compliance.

II. Adjustment and Commentary Revision

For the reasons set forth in the preamble, for purposes of determining whether a mortgage transaction is covered by 12 CFR 226.32 (based on the total points and fees payable by the consumer at or before loan consummation), a loan is covered if the points and fees exceed the greater of \$465 or 8 percent of the total loan amount, effective January 1, 2001. Comment 32(a)(1)(ii)–2, which lists the

adjustments for each year, is amended to reflect the dollar adjustment for 2001. Because the timing and method of the adjustment is set by statute, the Board finds that notice and public comment on the change are unnecessary.

III. Regulatory Flexibility Analysis

The Board certifies that this amendment will not have a substantial effect on the regulated entities because the only change is to raise the exemption level for transactions requiring HOEPA disclosures.

List of Subjects in 12 CFR Part 226

Advertising, Federal Reserve System, Mortgages, Reporting and recordkeeping requirements, Truth in lending.

For the reasons set forth in the preamble, the Board amends Regulation Z, 12 CFR part 226, as set forth below:

PART 226—TRUTH IN LENDING (REGULATION Z)

1. The authority citation for part 226 would continue to read as follows:

Authority: 12 U.S.C. 3806; 15 U.S.C. 1604 and 1637(c)(5).

2. In Supplement I to Part 226, under *Section 226.32—Requirements for Certain Closed-End Home Mortgages*, under paragraph 32(a)(1)(ii), paragraph 2.vi. is added.

Supplement I to Part 226—Official Staff Interpretations

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Subpart E—Special Rules for Certain Home Mortgage Transactions

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§ 226.32—Requirements for Certain Closed-End Home Mortgages

32(a) Coverage.

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Paragraph 32(a)(1)(ii).

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2. Annual adjustment of \$400 amount.

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vi. For 2001, \$465, reflecting a 3.1 percent increase in the CPI-U from June 1999 to June 2000, rounded to the nearest whole dollar.

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By order of the Board of Governors of the Federal Reserve System, acting through the Director of the Division of Consumer and Community Affairs under delegated authority, November 20, 2000.

Jennifer J. Johnson,
Secretary of the Board.

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